

SAMPLE JV AGREEMENT

Joint Venture Agreement

ABC Company, Inc. and DEF Company, Inc.

(13 CFR 124.513(c)(1): A provision sets forth the purpose of the JV.

1.0 Purpose. The purpose of the Venture shall be to bid upon RFP T1234-56-789012 and, if successful, to enter into and consummate that certain construction services for the U.S Department of the Treasury for the base period of the contract, and options, totaling not more than 4 months from contract award date.

(13 CFR 124.513(c)(2): A provision designating an 8(a) Participant as the managing venturer.

2.0 Project Manager. Ms. Jennifer Nail has been selected as the Project Manager for this contract and is an employee of ABC Company, Inc. She shall be responsible for contract performance, overseeing the job-site, reporting to and implementing the instructions of the Managing Director, preparing a daily written log detailing all developments and aspects of the job, and submitting such log to the Managing Director at his request.

3.0 Not less than 51% of the net profits earned by the Joint Venture will be distributed to the 8(a) participants.

(13 CFR 124.513 (c)(4): A provision providing for the establishment and establishment of a special bank account.

4.0 Bank Accounts. The operating account ("Operating Account") shall be at DEF Bank. The operating capital account shall be established in the name of the joint venture. All receipts of the venture shall be deposited into its Operating Account. All checks drawn on the Operating Account will require two (2) signatures, one from each joint venturer. Each joint venturer may designate the person or persons who may sign on its behalf. All expenses incurred under the contract will be paid from the account.

(13 CFR 124.513 (c)(5): A provision itemizing all major equipment, facilities, and other resources to be furnished by each party to the joint venture, with a detailed schedule of cost or value each.

5.0 Equipment. Equipment, facilities and other resources will be provided as listed in exhibit ____ .

(13 CFR 124.513 (c)(6)): A provision specifying the responsibilities of parties with regard to contract performance, source of labor and negotiation of the 8(a) contracts.

6.0 Contract Oversight. Either venturer will have the right to visit the contract site to evaluate the contract performance.

Source of Labor. The joint venture must perform at least the following percentage of work:

(1) Services (non-construction). 50% of the cost of the contract incurred for personnel with its own employees;

(2) Supplies or Products. 50% of the cost of manufacturing the supplies or products (not including the cost of materials);

(3) General construction. 15% of the cost of the contract with its own employees (not including the cost of materials); and

(4) Special trade construction. 25% of the cost of the contract with its own employees (no including the cost of materials). See 13 CFR 124.510, 13 CFR 125.6.

The 8(a) Participant must perform a significant portion of the work.

Negotiating 8(a) Contract Ms. Jennifer Nail will be responsible for negotiating the original 8(a) contract, should negotiations be required by the Department of the Treasury, and any other subsequent negotiations.

(13 CFR 124.513 (c)(7)): A provision obligating all parties to the joint venture to ensure performance of the 8(a) contract and to complete performance despite the withdrawal of any member.

7.0 Ensured Performance. ABC Company, Inc. and DEF Company are obligated to ensure performance of the 8(a) contract and to complete performance despite the withdrawal of any party to the joint venture.

(13 CFR 124.513 (c)(8)): A provision designating that accounting and other administration records relating to the JV shall be kept in the office of the managing venturer, unless approval to keep them elsewhere is granted by the District Director or his/her designee upon written request.

8.0 Books. Accounting and other administrative records including the venture's books, and any other records relating to the joint venture shall be kept and maintained at the office of ABC Company, Inc. Each venturer shall during regular business hours have access to and may inspect and copy any and all such books and records. SBA shall have authority to inspect the records of the venture at any reasonable deemed necessary time.

(13 CFR 124.513 (c)(9): A provision requiring the final original records be retained by the managing venturer upon completion of the 8(a) contract performed by the joint venture.

9.0 Books. Accounting and other administrative records including the venture's books, and any other original records relating to the joint venture shall be kept and maintained at the office of ABC Company, Inc. after completion of the contract.

(13 CFR 124.513 (c) (10)): A provision stating that quarterly financial statements showing cumulative contract receipts and expenditures (including salaries of the JV's principals) must be submitted to SBA no later than 45 days after each operating quarter of the JV.

10.0 Quarterly Financial Statements showing cumulative contract receipts and expenditures (including salaries of the joint venture principals) shall be submitted to SBA not later than forty-five (45) days after each operating quarter.

(13 CFR 124.513 (c) (11)): A provision stating that a project-end profit and loss statement including a statement of final profit distribution must be submitted to SBA no later than 90 days after completion of the contract.

11.0 Project-end profit and loss statement including a statement of final profit distribution must be submitted to SBA no later than 90 days after completion of the contract.

(13 CFR 124.513(e)): Prior approval by SBA

SBA must approve this joint venture prior to award of the subject 8(a) contract on behalf of the joint venture.

13 CFR 124.513(f): Contract execution

Subject to SBA, U.S. Department of the Treasury will execute an 8(a) contract in the name of ABC Company, Inc. and DEF Company, Inc. trading as ABCDEF Company, LLC joint venture.

(13 CFR 124.513(g)): A provision specifying that the amendments to an approved JV shall be subject to prior approval by SBA.

Integrated Agreement. Any changes to this agreement shall be by an executed writing and all changes to this agreement shall be approved by the SBA.

(13 CFR 124.513 (h)): SBA shall have the right to inspect the records of the JV at any time without prior notice.

SBA shall have authority to inspect the records of the venture at any time without prior notice.

Ms. Jennifer Nail, President
ABC Company, Inc.
123 Sample Ave., Suite 123
Anytown, California 12345-6789

Date

Ms. Betty Hammer, President
DEF Company, Inc.
123 Example Ave., Suite 123
Anothertown, California 12345-6789

Date

